B2360-1(u) +
6/7/82

CSS

19th ANNUAL REPORT

SHOPLIFTING

IN

SUPERMARKETS

DRUG STORES - DISCOUNT STORES

BY

ROGER GRIFFIN CPP

COMMERCIAL SERVICE SYSTEMS, INC.

TABLE OF CONTENTS

Age of Shoplifter 14

Cases in which 1 - 25 Items were Recovered. 10

Cigarettes as percent of Value of Merchandise Recovered 15

Concealment, Methods of 16

Conditions for using Data in the Report 2

Day Apprehension Occurred 12

Estimating Shoplifting Losses 4

Estimating Losses, a Formula for Individual Retailers 6

Increase in Reported Apprehensions 3

Items Recovered, Average per Apprehension 8

Juveniles Referred to Police 11

Merchandise Recovered, Categories of 15

Month Apprehension Occurred 12

Potential Losses, per Store per Year 4

Prosecution of Adults 11

Sex of Shoplifter 13

Shoplifters under 30 Years of Age 14

Shoplifting Losses, U.S. Supermarkets 5

Supermarket Shoplifting Data 1970 - 1981 17

Time of Day Apprehension Occurred 13

Value range of Merchandise Recovered 9

Value of Merchandise Recovered 15

Value of Merchandise Recovered per Apprehension 7

COMMERCIAL SERVICE SYSTEMS INC.

EXECUTIVE OFFICES: 6946 VAN NUYS BLVD., VAN NUYS, CALIF. 91405 • MAILING ADDRESS: P.O. BOX 3307, VAN NUYS, CALIF. 91407 • TEL.: (213) 873-4222

April 15, 1982

TO: Our friends in the retail industry

Contained in this booklet is our NINETEENTH ANNUAL REPORT on shoplifting in SUPERMARKETS, DRUG STORES AND DISCOUNT STORES.

This report is based on information taken from written reports of apprehensions made by our client's in their stores.

Those computer tabulated apprehension reports are the source of the information presented here.

14,285	Reports were received from	668 Supermarkets
6,810	Reports were received from	151 Drug Stores
6,103	Reports were received from	92 Discount Stores
27,198	TOTAL	911

Ninety-two percent (92%) of the data came from stores located in Southern California. Eight percent came from stores located in Arizona, Colorado, Oregon, Utah, and Washington.

This continuing study is designed to be useful to retail executives, the judiciary, the legislature, prosecutorial and law enforcement agencies and to the public at large.

Our purpose is to promote understanding of the shoplifting problem by increasing the limited amount of hard-data available on the subject.

We are happy to share this data and ask only that users comply with the conditions stated on the following page.

ROGER GRIFFIN C P P
VICE PRESIDENT
COMMERCIAL SERVICE SYSTEMS, INC.
(213) 873-4222

PLEASE

PERMISSION TO REPRINT THE MATERIAL CONTAINED IN THIS REPORT, IN WHOLE OR IN PART, IS GRANTED CONTINGENT UPON THE USER COMPLYING WITH THE FOLLOWING CONDITIONS:

1. Commercial Service Systems, Inc., Van Nuys, CA will be credited as the source of the material used. The author's name may be used but direct quotes must be cleared in writing or by telephone.

2. When the report is reprinted as an article in a magazine or other publication, a by-line will be provided as follows:

   ROGER GRIFFIN, C P P
   Vice President
   Commercial Service Systems, Inc.
   Van Nuys, CA

3. The user will acknowledge use of the material as follows:

   A. Newspapers - Send tear sheet showing the name of the publication and the publication date to the author at P. O. Box 3307, Van Nuys, CA 91407.

   B. Other - Send a copy of the publication to the author at the above address.

4. Clients of the CSS Shoplifting Prevention Service may use this material without restriction. It will be appreciated if CSS is provided with a copy of any reprint or reproduction.

5. Other use of this material must be approved in advance, in writing.

6. For further information, call Roger Griffin (213) 873-4222.

1981 INCREASE
IN AVERAGE NUMBER OF APPREHENSIONS PER STORE

The best evidence that shoplifting is not a myth is the data contained in the report about apprehended shoplifters. The number of shoplifters apprehended, however, is less an indication of how much shoplifting takes place than it is an indication of the amount of effort expended on making apprehensions.

Shoplifters, or potential shoplifters are ever present in the retail environment. Therefore, the number of shoplifters apprehended is proportional to the effort to apprehend.

In order to calculate an increase or decrease in the amount of shoplifting it would be necessary to know the number of hours spent on apprehending shoplifters. Since we know only the end result and not the amount of time nor the quality of the effort expended to obtain that result, we cannot, with certainty, calculate an increase or decrease in shoplifting in general.

With the above caveat, we would like to compare 1980 and 1981 apprehension statistics.

	1 9 8 1	1 9 8 0	INCREASE
SUPERMARKET	14,285 Cases / 668 Stores = 21.4 Avg.	11,484 Cases / 690 Stores = 16.6 Avg.	4.8 %
DRUG STORES	6,810 Cases / 151 Stores = 45.1 Avg.	4,205 Cases / 115 Stores = 36.6 Avg.	8.5 %
DISCOUNT STORES	6,103 Cases * / 92 Stores = 66.3 Avg.	1,257 Cases / 48 Stores = 26.2 Avg.	40.1 %

* The total number of apprehensions in Discount Stores during 1981 included those from a new client with an aggresive apprehension program. This company reported its apprehensions for the first time during 1981.

ESTIMATING SHOPLIFTING LOSSES

The amount of loss to retail business due to shoplifting remains an enigma because several factors contribute to total inventory shrink.

Those factors include shoplifting, employee theft, vendor theft, good faith errors of undercharge at the point of payment, errors in the inventory-accounting procedure, etc.

It is obviously impossible to know with certainty to what extent each factor contributes to the total shrink. We offer the following method of estimating the importance of the shoplifting factor in the equation.

This method of estimating shoplifting losses is based upon three known factors and one unknown factor.

SUPERMARKET

Average Value of Merchandise Recovered per Apprehension	Estimated Number of Incidents per store per day	Operating Days per Year	Yearly Loss per Store
$ 10.06	1	363	$ 3,652
10.06	2	363	7,304
10.06	3	363	10,955
10.06	4	363	14,607
10.06	5	363	18,259
10.06	6	363	21,911
10.06	7	363	25,562
10.06	8	363	29,214
10.06	9	363	32,866
10.06	10	363	36,518

DRUG STORE

$ 11.77	1	363	4,273
11.77	2	363	8,545
11.77	3	363	12,818
11.77	4	363	17,090
11.77	5	363	21,363
11.77	6	363	25,635
11.77	7	363	29,908
11.77	8	363	34,180
11.77	9	363	38,453
11.77	10	363	42,725

SHOPLIFTING LOSSES

U.S. SUPERMARKETS

In 1981 the average value of the merchandise recovered each time a supermarket shoplifter was apprehended, was $10.06. (Up from $8.69 in 1980.)

Food Marketing Institute reports that there were some 34,900 supermarkets in the United States as of February 1981. By applying the following formula, we can arrive at an estimated yearly shoplifting loss in supermarkets.

$ 10.06	X	8	X	363	X	34,900 =
AVERAGE SHOPLIFTING THEFT		ESTIMATED NO. INCIDENTS PER STORE PER DAY		NUMBER OF OPERATING DAYS PER YR.		NUMBER OF SUPERMARKETS

$ 1,019,576,976

ESTIMATED SHOPLIFTING LOSSES

U.S. SUPERMARKETS 1981

ESTIMATING SHOPLIFTING LOSSES
A FORMULA FOR INDIVIDUAL RETAILERS

PLEASE INDICATE THE PERCENTAGE OF TOTAL INVENTORY SHIRNK WHICH YOU BELIEVE THE FOLLOWING FACTORS CONTRIBUTE:

1.	SHOPLIFTING.....	_____%
2.	EMPLOYEE THEFT.....	_____
3.	VENDOR THEFT.....	_____
* 4.	GOOD FAITH CASHIER UNDERCHARGE..	_____
5.	INVENTORY-ACCOUNTING ERRORS.....	_____
6.	OTHER.....	_____
		100 %

7. MULTIPLY YOUR TOTAL YEARLY INVENTORY SHRINK BY THE PERCENTAGE YOU ATTRIBUTE TO SHOPLIFTING:

$_____ (TOTAL INVENTORY SHRINK IN DOLLARS) X _____ (% ATTRIBUTED TO SHOPLIFTING) = $_____ (ESTIMATED LOSS)

8. FILL IN THE FACTORS WHICH YOU THINK APPLY TO YOUR COMPANY AND MULTIPLY:

$ 10.06 (AVERAGE THEFT) X _____ (NUMBER OF SHOPLIFTERS PER STORE PER DAY) X _____ (NUMBER OF OPERATING DAYS) X _____ (NUMBER OF STORES) =

$_____
ESTIMATED SHOPLIFTING LOSS

9. THE FOLLOWING EXAMPLE PERTAINS TO A 100 STORE COMPANY OPEN 363 DAYS PER YEAR WHICH BELIEVES THAT EACH OF ITS STORES IS VICTIMIZED BY SHOPLIFTERS AN AVERAGE OF 8 TIMES PER DAY:

$ 10.06 (AVERAGE THEFT) X 8 (NUMBER OF SHOPLIFTERS PER STORE PER DAY) X 363 (NUMBER OF OPERATING DAYS) X 100 (NUMBER OF STORES) =

$ 2,921,424.00
ESTIMATED SHOPLIFTING LOSS

10. COMPARE ESTIMATED LOSS IN PARAGRAPH 7 WITH ESTIMATED LOSS IN PARAGRAPH 8.

* Studies of good faith cashier overcharge and undercharge errors indicate a net error in favor of the customer.

AVERAGE VALUE OF MERCHANDISE RECOVERED

PER APPREHENSION

ALL CASES

SUPERMARKET	$ 10.06
DRUG STORE	$ 11.77
DISCOUNT STORE	$ 29.11

SEPARATE CATEGORIES

	ADULT MALES	ADULT FEMALES	TOTAL ADULTS	TOTAL JUVENILES	TOTAL MALE JUVENILES	TOTAL FEMALE JUVENILES
SUPER MARKET	$11.15	12.73	11.90	7.19	5.48	9.59
DRUG STORE	12.36	14.29	13.38	10.06	6.47	15.08
DISCOUNT STORE	36.49	41.52	39.54	19.41	16.89	22.25

AVERAGE NUMBER OF ITEMS RECOVERED

PER APPREHENSION

SUPERMARKET	3.2
DRUG STORE	2.5
DISCOUNT STORE	3.6

SEPARATE CATEGORIES

	ADULT MALES	ADULT FEMALES	TOTAL ADULTS	TOTAL JUVENILES	TOTAL MALE JUVENILES	TOTAL FEMALE JUVENILES
SUPER MARKET	2.9	4.1	3.5	2.8	2.3	3.6
DRUG STORE	2.1	3.0	2.6	2.5	2.0	3.1
DISCOUNT STORE	3.3	5.1	4.4	2.8	2.2	3.4

VALUE RANGE

MERCHANDISE RECOVERED

NUMBER OF CASES WITHIN EACH VALUE RANGE

	SUPERMARKET		DRUG STORE		DISCOUNT STORE	
DOLLAR AMOUNT	NUMBER OF CASES	PERCENT	NUMBER OF CASES	PERCENT	NUMBER OF CASES	PERCENT
UNDER 50¢	804	5.6%	470	7.0%	278	4.6%
50¢ to $ 1	816	5.7%	412	6.0%	161	2.6%
$ 1 to $ 5	5898	41.3%	2582	37.9%	1384	22.7%
$ 5 to $10	3109	21.8%	1361	20.0%	1126	18.4%
$10 to $25	2513	17.6%	1296	19.0%	1450	23.8%
$25 to $50	751	5.3%	446	6.5%	888	14.6%
$50 to $75	197	1.4%	151	2.2%	323	5.3%
$75 to $100	79	.6%	42	.6%	144	2.4%
$100 to $150	67	.5%	24	.4%	161	2.6%
$150 to $200	20	.1%	15	.2%	75	1.2%
OVER $200	31	.2%	11	.2%	113	1.9%

NUMBER OF CASES IN WHICH 1 TO 25 ITEMS WERE RECOVERED

	SUPERMARKET		DRUG STORE		DISCOUNT STORE	
NUMBER OF ITEMS	NUMBER OF CASES	PERCENT	NUMBER OF CASES	PERCENT	NUMBER OF CASES	PERCENT
1	5807	40.7%	3600	52.9%	2770	45.4%
2	3027	21.2%	1347	19.8%	1102	18.1%
3	1640	11.5%	579	8.5%	593	9.7%
4	1079	7.6%	364	5.3%	397	6.5%
5	626	4.4%	224	3.3%	267	4.4%
6	520	3.6%	170	2.5%	194	3.2%
7	385	2.7%	122	1.8%	129	2.1%
8	257	1.8%	80	1.2%	116	1.9%
9	163	1.1%	63	.9%	94	1.5%
10	133	.9%	50	.7%	60	1.0%
11	106	.7%	47	.7%	52	.9%
12	101	.7%	29	.4%	37	.6%
13	49	.3%	32	.5%	35	.6%
14	64	.4%	5	.07%	34	.6%
15	42	.3%	18	.3%	20	.3%
16	40	.3%	7	.1%	26	.4%
17	36	.3%	7	.1%	21	.3%
18	25	.2%	6	.08%	13	.2%
19	18	.1%	9	.1%	12	.2%
20	14	.09%	5	.07%	5	.08%
21	17	.11%	8	.1%	15	.2%
22	20	.14%	2	.02%	4	.06%
23	6	.04%	4	.05%	10	.2%
24	17	.11%	1	.01%	9	.1%
25	8	.05%	4	.05%	7	.1%
OTHER	85	.6%	27	.4%	81	1.3%

SHOPLIFTERS REFERRED TO POLICE

ADULTS PROSECUTED

	TOTAL ADULTS	ADULT MALES	ADULT FEMALES
SUPERMARKET	41.9%	42.4%	41.3%
DRUG STORE	25.9%	26.0%	25.7%
DISCOUNT	52.7%	50.5%	54.2%

JUVENILES REFERRED

	TOTAL JUVENILES	JUVENILE MALES	JUVENILE FEMALES
SUPERMARKET	34.1%	32.6%	36.2%
DRUG STORE	17.1%	15.6%	19.1%
DISCOUNT	37.0%	31.4%	43.2%

WHEN APPREHENSION OCCURRED

MONTH

MONTH	SUPER MARKET	DRUG STORE	DISCOUNT STORE
JAN	6.5%	5.7%	1.9%
FEB	7.6	5.8	6.5
MAR	8.4	8.1	8.8
APR	7.8	5.9	7.0
MAY	6.9	7.6	7.7
JUN	7.9	8.5	7.6
JUL	8.7	10.5	10.0
AUG	9.9	8.9	11.6
SEP	8.9	7.7	10.1
OCT	10.2	9.5	8.4
NOV	8.3	9.7	9.7
DEC	8.2	11.5	10.0

DAY

DAY	SUPER MARKET	DRUG STORE	DISCOUNT STORE
MON	14.5%	12.9%	8.7%
TUE	15.8	12.2	14.1
WED	15.2	13.2	13.3
THUR	14.9	14.8	13.6
FRI	14.4	17.4	16.9
SAT	12.5	16.8	17.9
SUN	12.0	12.1	15.3
NOT INDICATED	.1	.2	.0

WHEN APPREHENSION OCCURRED

TIME OF DAY

TIME OF DAY	SUPER MARKET	DRUG STORE	DISCOUNT STORE
BEFORE NOON	10.1%	5.7%	7.8%
NOON - 3:00	22.7	29.3	31.1
3:00 - 6:00 PM	36.8	37.7	34.7
6:00 - 9:00 PM	22.2	22.3	22.8
9:00 - MIDNIGHT	6.0	2.9	1.9
AFTER MIDNIGHT	.9	.1	.0
NOT INDICATED	1.0	1.7	.6

SEX OF SHOPLIFTER

ADULTS

	ADULTS SUPERMARKETS	ADULTS DRUG STORES	ADULTS DISCOUNT
MALE	52.3%	47.0%	39.3%
FEMALE	47.6	52.9	60.6

JUVENILES

	JUVENILES SUPERMARKETS	JUVENILES DRUG STORES	JUVENILES DISCOUNT
MALE	58.4%	58.3%	52.9%
FEMALE	41.5	41.6	47.0

AGE OF SHOPLIFTER

AGE GROUP	SUPER MARKET	DRUG STORE	DISCOUNT STORE
UNDER 12	8.0%	13.6%	10.2%
12 - 17	21.3	26.2	29.7
18 - 29	35.6	27.9	36.3
30 - 39	15.3	13.2	13.1
40 - 49	7.3	6.3	5.6
50 - 59	5.6	5.7	2.7
OVER 60	6.7	6.9	2.1

SHOPLIFTERS
UNDER 30 YEARS OF AGE

SUPERMARKET	64.9 %
DRUG STORE	67.7 %
DISCOUNT STORE	76.2 %

VALUE OF MERCHANDISE RECOVERED

TOTAL VALUE

CIGARETTES AS PERCENTAGE OF TOTAL

	TOTAL VALUE MERCHANDISE RECOVERED	VALUE OF CIGARETTE MERCHANDISE RECOVERED	CIGARETTE MERCHANDISE AS PERCENTAGE OF TOTAL
SUPERMARKET	$143,791	$7,999	5.56%
DRUG STORE	$ 80,191	$ 707	.88%
DISCOUNT STORE	$177,715	$ 638	.36%

CATEGORIES OF MERCHANDISE RECOVERED

Indicates the percentages of cases in which one or more items within the indicated categories were recovered.

	SUPER MARKET	DRUG STORE
FRESH MEAT	15.3%	.0%
DELI	10.9	.0
OTHER FOOD ITEM	23.9	6.9
LIQUOR	10.5	3.0
CIGARETTES	8.5	2.6
VITAMINS	1.2	1.9
HEALTH & BEAUTY AIDS	8.5	9.1
CLOTHING	8.1	10.2
OTHER NON FOOD ITEM	40.3	74.5

METHODS OF CONCEALMENT

INDICATES PRIMARY METHOD OF CONCEALMENT REPORTED

	SUPER MARKET	DRUG STORE	DISCOUNT STORE
PURSE	32.8 %	26.2 %	33.1 %
SHOPPING BAG	2.8	2.8	5.4
OTHER BAG	3.7	4.3	2.7
PROFESSIONAL	.5	.1	.4
POCKET	20.3	29.0	19.9
LABEL SWITCHER	1.5	4.4	2.4
ACCOMPLICE	3.4	4.2	3.6
UNDER CLOTHING	26.9	16.1	16.1
OTHER METHOD	7.3	12.1	15.6
NOT INDICATED	.5	.3	.2

SUPERMARKET SHOPLIFTING DATA 1970 - 1981

YEAR AND NUMBER OF CASES	PERCENT OF ADULTS PROSECUTED	PERCENT OF JUVENILES TO POLICE	DAY WHEN MOST SHOPLIFTERS WERE CAUGHT	MONTH WHEN MOST SHOPLIFTERS WERE CAUGHT	TIME PERIOD WHEN MOST SHOPLIFTERS WERE CAUGHT	AGE GROUP MOST OFTEN APPREHENDED	PERCENT OF SHOPLIFTERS UNDER THIRTY YEARS OLD	RATIO OF MALE-FEMALE APPREHENSIONS	PERCENT CONCEALED IN POCKET-PURSE OR UNDER CLOTHING	AVERAGE NUMBER OF ARTICLES RECOVERED	AVERAGE VALUE OF MERCHANDISE RECOVERED
1981 14,285	41.9%	34.1%	TUES	OCT	3-6 P.M.	18-29	64.9%	54.7% M 45.2% F	80.0%	3.2	$10.06
1980 11,484	37.6%	32.1%	MON TUES	OCT	3-6 P.M.	18-29	63.9%	49.0% M 50.9% F	79.3%	3.2	$ 8.69
1979 14,720	34.1%	24.7%	MON TUES	MAR	3-6 P.M.	18-29	62.8%	55.3% M 43.6% F	78.0%	3.1	$ 7.37
1978 17,326	33.0%	21.7%	WED	APR	3-6 P.M.	18-29	70.6%	54.9% M 44.3% F	78.4%	3.2	$ 6.39
1977 16,255	35.3%	24.7%	FRI MON	MAY	3-6 P.M.	18-29	70.2%	52.6% M 47.3% F	80.6%	3.2	$ 5.99
1976 16,100	35.7%	24.9%	THUR	MAR	3-6 P.M.	18-29	71.6%	51.4% M 48.6% F	81.3%	3.2	$ 5.90
1975 18,303	37.3%	24.1%	WED	JAN	3-6 P.M.	18-29	71.2%	54.2% M 45.7% F	81.1%	3.0	$ 4.91
1974 18,165	42.3%	25.8%	FRI	MAR APR	3-6 P.M.	12-17	71.3%	56.5% M 43.5% F	79.2%	3.1	$ 4.97
1973 14,790	42.6%	25.0%	THUR	OCT NOV	3-6 P.M.	12-17	69.5%	51.2% M 48.8% F	79.4%	3.0	$ 4.32
1972 15,542	39.4%	23.6%	FRI	MAR	3-6 P.M.	12-17	66.5%	50.3% M 49.7% F	79.9%	3.0	$ 3.85
1971 13,599	37.1%	22.9%	WED	DEC	3-6 P.M.	12-17	68.2%	57.0% M 42.9% F	78.0%	3.1	$ 4.35
1970 13,439	36.3%	20.9%	THUR	FEB APR	3-6 P.M.	12-17	68.3%	56.1% M 43.9% F	77.3%	3.1	$ 3.81

COMMERCIAL SERVICE SYSTEMS INC.

COMMERCIAL SERVICE SYSTEMS, INC. is an investigative company which specializes in retail security systems for the control of losses due to DISHONEST and INEFFICIENT PERSONNEL and SHOPLIFTING. The company was incorporated in 1946. Executive offices are located in Van Nuys, California.

Clients are provided services in a wide area of the United States from offices in the following locations:

CORPORATE OFFICES

7755 HASKELL AVENUE
P. O. BOX 3307
VAN NUYS, CA 91407
(213) 873-4222

SOUTHERN CALIFORNIA

LOS ANGELES, CALIFORNIA - (213) 508-6006
5700 Cahuenga Blvd., North Hollywood, CA 91601

ORANGE COUNTY, CALIFORNIA - (714) 630-7004
1230 Simon Circle, Unit H, Anaheim, CA 92806

SAN DIEGO, CALIFORNIA - (714) 560-5588
5644 Kearney Mesa Road, Suite J, San Diego, CA 92111

NORTHERN CALIFORNIA

FOSTER CITY, CALIFORNIA - (415) 349-3955
P. O. BOX 4341 - 1165 Chess Drive, Foster City, CA 94404

REDDING, CALIFORNIA - Call (415) 349-3955

SACRAMENTO, CALIFORNIA - Call (415) 349-3955

ARIZONA

PHOENIX, ARIZONA - (602) 967-1707
1521 So. Indian Bend Pr. Rd., Suite 5, Tempe, AZ 85281

TEXAS - NEW MEXICO

DALLAS, TEXAS - (214) 243-2211
11422 Harry Hines Blvd., Suite 118, Dallas, TX 75229

HOUSTON, TEXAS - Call (214) 243-2211

SAN ANTONIO, TEXAS - Call (214) 243-2211

ALBUQUERQUE, NEW MEXICO - Call (214) 243-2211

PACIFIC NORTHWEST

SEATTLE, WASHINGTON - (206) 643-2800
14850 Lake Hills Blvd., Suite #1, Bellevue, WA 98008

PORTLAND, OREGON - Call (206) 643-2800